

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL MEMORANDUM

HB 644 – SB 803

June 18, 2009

SUMMARY OF AMENDMENTS (005030, 005502, 010294):

Amendment 005030 deletes all language following the enacting clause. Requires all applicants for licensure as a private investigator to possess, or employ someone who possesses, 4,000 hours of compensated and verifiable investigative experience. Exempts persons whose license is issued prior to July 1, 2009, from the requirement of 4,000 hours of experience. Amendment 005502 adds two years of related experience or education in a related field of study as an alternative qualification for licensure. Amendment 010294 requires all applicants for licensure as a private investigator to possess, or employ someone who possesses, 2,000 hours of compensated and verifiable investigative experience or one year of related experience or education in a related field of study as approved by the Private Investigation and Polygraph Commission.

FISCAL IMPACT OF ORIGINAL BILL:

Other Fiscal Impact – The Private Investigation and Polygraph Commission will incur a one-time increase in expenditures of \$6,000 which includes \$1,000 in modifications to the current application and computer licensure system and \$5,000 for a rule-making hearing. According to the Commission, the new requirements would decrease applications and thereby decrease revenue by approximately \$18,800. Fees will be increased to cover the one-time costs as well as the decrease in revenue from the loss of applicants.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENTS:

**Increase State Revenue – Net Impact - \$3,500/Biennially
Private Investigation and Polygraph
Commission**

**Increase State Expenditures - \$3,500/One-Time/Private
Investigation and Polygraph Commission**

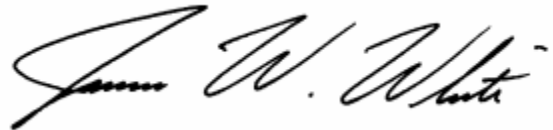
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Assumptions applied to amendments:

- According to the Commission, new minimum experience requirements would decrease the number of qualified applicants for licensure for both private and company investigators. The decrease in the number of applicants will result in a loss of both initial license application fees and license renewal fees estimated to total \$18,800. Fees will be increased on a recurring basis to cover the one-time costs as well as the decrease in revenue from the reduction in applications.
- One-time increase in state expenditures for programming updates to the application and licensure system will be required at a cost of \$3,500.
- Pursuant to Tenn. Code Ann. § 4-3-1011, all health-related boards are required to be self-supporting over a two-year period. As of June 30, 2008, the Commission had a positive balance of \$74,486.85.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible.

James W. White, Executive Director

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